

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:	)	Chapter 11
	)	
<b>W.R. GRACE &amp; CO., et al.,<sup>1</sup></b>	)	Case No. 01-1139 (JKF)
	)	Jointly Administered
	)	
	)	<b>Objection Date: July 15, 2004 at 4:00 p.m.</b>
Debtors.	)	<b>Hearing Date: Scheduled if Necessary (Negative Notice)</b>
	)	
	)	

---

**TWENTY-THIRD MONTHLY APPLICATION OF  
BANKRUPTCY MANAGEMENT CORPORATION  
FOR COMPENSATION FOR SERVICES RENDERED AND  
REIMBURSEMENT OF EXPENSES AS CLAIMS RECONCILIATION  
AND SOLICITATION CONSULTANT TO THE DEBTORS FOR THE  
PERIOD FROM FEBRUARY 1, 2004 THROUGH FEBRUARY 29, 2004**

<b>Name of Applicant:</b>	Bankruptcy Management Corporation ("BMC")
<b>Authorized to Provide Professional Services to:</b>	The above-captioned debtors and debtors in possession.
<b>Date of Retention:</b>	Retention Order entered May 8, 2002; effective as of April 4, 2002
<b>Period for which Compensation and Reimbursement is Sought:</b>	February 1 through February 29, 2004
<b>Amount of Compensation Sought as Actual, Reasonable and Necessary:</b>	\$42,147.00
<b>Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:</b>	\$ 1,260.14 (Expense Reimbursement) \$ 363.72 (Production Costs)

<sup>1</sup> The Debtors consist of the following 62 entities: W.R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W.R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food =N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W.R. Grace Capital Corporation, W.R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc.), E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company, H-G Coal Company.

This is a: ☒ Monthly Application ☐ Quarterly Application ☐ Final Application

The total time expended for preparation of this fee application is approximately 20.0 hours and the corresponding compensation requested is approximately \$4,000.00.<sup>2</sup>

This is the Twenty-Third Application filed by BMC.

### PRIOR APPLICATIONS

Date Filed	Period Covered	Requested Fees	Requested Expenses	Approved Fees	Approved Expenses
3/4/2003	4/4/2002-4/30/2002	\$18,913.50	\$1,420.00	\$15,130.80	\$1,420.00
3/4/2003	5/1/2002-5/31/2002	\$46,559.00	\$2,781.83	\$37,247.20	\$2,781.83
3/4/2003	6/1/2002-6/30/2002	\$42,162.00	\$3,538.24	\$33,729.60	\$3,538.24
3/4/2003	5th Quarterly 2002	\$107,634.50	\$7,740.07	\$86,107.60	\$7,740.07
3/4/2003	7/1/2002-7/31/2002	\$48,181.75	\$10,701.48	\$38,545.40	\$10,701.48
3/4/2003	8/1/2002-8/31/2002	\$48,729.50	\$1,891.32	\$38,983.60	\$1,891.32
3/4/2003	9/1/2002-9/30/2002	\$55,850.00	\$2,743.43	\$44,680.00	\$2,743.43
3/4/2003	6th Quarterly 2002	\$152,761.25	\$15,336.23	\$122,209.00	\$15,336.23
3/4/2003	10/1/2002-10/31/2002	\$95,621.50	\$3,384.85	\$76,497.20	\$3,384.85
3/4/2003	11/1/2002-11/30/2002	\$49,215.25	\$2,658.68	\$39,372.20	\$2,658.68
3/4/2003	12/1/2002-12/31/2002	\$46,683.00	\$850.00	\$37,346.40	\$850.00
3/4/2003	7th Quarterly 2002	\$191,519.75	\$6,893.53	\$153,215.80	\$6,893.53
5/15/2003	1/1/2003-1/31/2003	\$74,318.00	\$1,229.90	\$59,454.40	\$1,229.90
5/15/2003	2/1/2003-2/28/2003	\$82,610.00	\$4,837.69	\$66,088.00	\$4,837.69
5/15/2003	3/1/2003-3/31/2003	\$72,572.25	\$3,860.72	\$58,057.80	\$3,860.72
5/15/2003	8 <sup>th</sup> Quarterly 2003	\$229,500.25	\$9,928.31	\$183,600.20	\$9,928.31
9/23/2003	4/1/2003-4/30/2003	\$117,598.00	\$2,132.50	\$94,078.40	\$2,132.50
9/23/2003	5/1/2003-5/31/2003	\$140,988.00	\$4,689.22	\$112,790.40	\$4,689.22
9/23/2003	6/1/2003-6/30/2003	\$95,449.00	\$8,234.67	\$76,359.20	\$8,234.67
9/23/2003	9 <sup>th</sup> Quarterly 2003	\$354,035.00	\$15,480.10	\$283,228.00	\$15,480.10
2/18/2004	7/1/2003-7/31/2003	\$90,293.50	\$9,851.36	\$90,293.50	\$9,851.36
2/18/2004	8/1/2003-8/31/2003	\$88,262.50	\$2,515.87	\$88,262.50	\$2,515.87
2/18/2004	9/1/2003-9/30/2003	\$82,370.00	\$16,341.34	\$82,370.00	\$16,341.34
2/25/2004	10 <sup>th</sup> Quarterly 2003	\$260,926.00	\$28,708.57	\$260,926.00	\$28,708.57
4/13/2004	10/1/2003-10/31/2003	\$86,187.00	\$1,861.76	Pending	Pending
4/13/2004	11/1/2003-11/30/2003	\$69,321.00	\$1,330.52	Pending	Pending
4/13/2004	12/1/2003-12/31/2003	\$62,679.00	\$2,627.14	Pending	Pending
4/13/2004	11 <sup>th</sup> Quarterly 2003	\$218,187.00	\$5,819.42	Pending	Pending
6/18/2004	1/1/2004-1/31/2004	\$84,944.50	\$1,327.94	Pending	Pending
6/18/2004	2/1/2004-2/29/2004	\$42,147.00	\$1,623.86	Pending	Pending
6/18/2004	3/1/2004-3/31/2004	\$89,579.50	\$1,403.99	Pending	Pending
6/18/2004	12 <sup>th</sup> Quarterly 2004	\$216,671.00	\$4,355.79	Pending	Pending

<sup>2</sup> The actual number of hours expended in preparing this fee application and the corresponding compensation requested will be set forth in BMC's subsequent fee applications.

**BIOGRAPHICAL INFORMATION**

<b>Name of Professional Person</b>	<b>Position with Applicant, Number of Years in Position, Prior Relevant Experience, Licenses and Year Obtained, Area of Expertise</b>	<b>Hourly Billing Rate (Including Changes)</b>	<b>Total Hours Billed</b>	<b>Total Compensation</b>
Martha Araki	Senior Bankruptcy Consultant, 5 years; 17 years bankruptcy experience	\$210.00	36.5	\$7,665.00
Mike Booth	Claims Reconciliation Manager, 1-1/2 years; 4 years bankruptcy experience	\$165.00	0.2	\$33.00
Susan Burnett	Consultant, 10 months; 3 years prior experience as an attorney, 20 years prior accounting and finance experience	\$150.00	10.8	\$1,620.00
Jacqueline Bush	Data Consultant, 2-1/2 years	\$95.00	2.8	\$266.00
Diane George	Data Consultant, 3 years; 2 years prior bankruptcy experience	\$140.00	0.6	\$84.00
Mike Grimmett	Data Consultant, 1-1/2 years; 12 years prior experience bankruptcy and data programming	\$175.00	68.8	\$12,040.00
Yvette Hassman	Case Support Associate, 11 months; 3 years prior bankruptcy case support experience	\$90.00	0.1	\$9.00
Sue Herrschaft	Senior Consultant, 1-1/2 years; former Operations Manager, Audit Division, Arthur Andersen-LA; 10 years prior experience in risk management and quality assurance	\$210.00	85.9	\$18,039.00
Myrtle John	Senior Bankruptcy Consultant, 2-1/2 years; 25 years experience in bankruptcy and other legal practice areas	\$195.00	0.5	\$97.50
Alison Keeny	Case Support Associate, 6 months	\$90.00	16.5	\$1,485.00
Gunther Kruse	Consultant, 1 year; 8 years prior experience in IT industry as database administrator and network manager	\$150.00	1.1	\$165.00
James Myers	Case Support Clerk, 2-1/2 years	\$65.00	0.7	\$45.50
Belinda Rivera	Case Support Clerk, 3 months	\$45.00	0.5	\$22.50
Lisa Rupaner	Case Support Associate, 1-1/2 years	\$95.00	2.6	\$247.00
Brianna Tate	Case Information Clerk, 8 months	\$45.00	0.7	\$31.50
Anna Wick	Data Consultant, 1-1/2 years	\$110.00	2.7	\$297.00

<b>Grand Total:</b>	<b>Fees: \$42,147.00</b>	<b>Hours: 231.0</b>
<b>Blended Rate:</b>	<b>\$182.45</b>	

**COMPENSATION BY PROJECT CATEGORY**

<b>Project Category</b>	<b>Total Hours</b>	<b>Total Fees</b>
Asbestos Claims	14.1	\$2,961.00
Case Administration	31.0	\$5,626.00
Data Analysis	80.1	\$13,831.00
Fee Applications-Applicant	37.3	\$7,791.00
Non-Asbestos Claims	68.5	\$11,938.00
Travel – Non Working	0.0	\$0.00
<b>Total</b>	<b>231.0</b>	<b>\$42,147.00</b>

**EXPENSE SUMMARY**

<b>Expense Category</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
b-Linx/Data Storage	BMC	\$850.00
Document Storage	BMC	\$391.50
Postage/Shipping	Fed Ex	\$18.64
<b>Total</b>		<b>\$1,260.14</b>

**PRODUCTION EXPENSE SUMMARY**

<b>Date of Mailing</b>	<b>Service Provider (If Applicable)</b>	<b>Total Expenses</b>
February 13, 2004	BMC	\$363.72
<b>Total</b>		<b>\$363.72</b>

*[Continued on next page]*

WHEREFORE, BMC respectfully requests:

- (a) that an allowance be made to it in the aggregate of \$35,341.46, which is comprised of:
- (i) 80% of the fees rendered by BMC to the Debtors for reasonable and necessary professional services during the Twenty-Third Fee Period (80% of \$42,147.00= \$33,717.60); and
  - (ii) 100% of the actual and necessary costs and expenses incurred by BMC during the Twenty-Third Fee Period (\$1,623.86);
- (b) that both the fees and expenses are payable as an administrative expense of the Debtors' estates; and
- (c) for such other and further relief as the Court deems just and proper.

Dated: June 11, 2004

BANKRUPTCY MANAGEMENT CORPORATION

By: 

JULIA HASENZAHN, COO  
6096 Upland Terrace South  
Seattle, Washington 98118  
Telephone: (206) 725-5405  
Telecopier: (206) 374-2727

Claims Reconciliation and Solicitation Consultant  
to the Debtors and Debtors in Possession

VERIFICATION

STATE OF CALIFORNIA

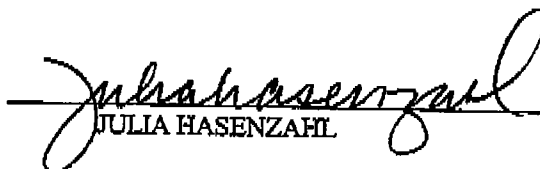
COUNTY OF LOS ANGELES

)  
)  
)

ss.

JULIA HASENZAHN, after being duly sworn, deposes and says:

1. I am the Chief Operating Officer of Bankruptcy Management Corporation, the applicant herein ("BMC"), the Claims Reconciliation and Solicitation Consultant to the debtors and debtors in possession herein (the "Debtors"). Except as otherwise noted, I have personal knowledge of the matters set forth herein.
2. I have personally reviewed the consulting services rendered by BMC as Claims Reconciliation and Solicitation Consultant to the Debtors and am thoroughly familiar with the other work performed on behalf of the Debtors by other consultants and employees of BMC.
3. I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Annexed hereto are the following Exhibits: Exhibit 1 - Monthly Fee Invoice comprised of a detail of time expended and Professional Activity Summary; and Exhibit 2 - Monthly Expense Invoice comprised of an Expense Invoice and Detail. Moreover, I have reviewed the Local Bankruptcy Rules for the District of Delaware and the 'Amended Administrative Order Under 11 U.S.C. §§105(a) and 331 Establishing Revised Procedures for Interim Compensation and Reimbursement of Expenses for Professionals and Official Committee Members,' signed April 17, 2002, and submit that the Application herein substantially complies with such Rules and Order.

  
JULIA HASENZAHN

SWORN AND SUBSCRIBED to before me  
this 17 day of JUNE, 2004

  
Notary Public

My Commission Expires: 7-19-05

